

Message Text

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12

ACTION EB-05

INFO OCT-01 EA-07 ISO-00 DRC-01 RSC-01 /015 W

----- 033096

R 080800Z MAR 74

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC 2793

INFO USDOC WASHDC

UNCLAS SEOUL 1557

E.O. 11652: N/A

TAGS: ETRD, BEXP, KS

SUBJ: PROPOSED GOLD STAR CABLE PLANT IN ONSAN

REF: (A) STATE 030488, (B) STATE 046100

FOLLOWING IS FOR ATTENTION OF MAJOR EXPORT PROJECTS

DIVISION ON BEHALF OF ITT.

1. MR. KIM (KIM YONG-SEOUNG), EXECUTIVE DIRECTOR OF GOLD STAR CABLE CO., LTD. REPORTS THAT \$112.5 MILLION IN QUESTION IS ONLY TENTATIVE FIGURE SINCE PROJECT IS STILL IN PLANNING STAGE. IT INCLUDES WON23.5 BILLION IN DOMESTIC CURRENCY AND \$54 MILLION IN FOREIGN EXCHANGE ESTIMATED DISBURSEMENT REQUIRED FROM 1977 THROUGH 1981 FOR PROJECTED PLANT EXPANSION IN ONSAN. (UNSAN IS INCORRECT SPELLING DUE TO TYPOGRAPHICAL ERROR IN ORIGINAL REPORT.)

2. FIRM'S EXISTING PLANT WILL REPORTEDLY HAVE ANNUAL PRODUCTION CAPACITY OF CABLE AND WIRE WITH 12,000 METRIC TONS COPPER AND 2,000 METRIC TONS ALUMINUM CONTENT FIRM'S 1976 PRODUCTION GOAL IS IDENTICAL TO ABOVE CAPACITY; EXPANSION OF NEW PLANT IN ONSAN WILL BE REQUIRED TO ACHIEVE INCREASED PRODUCTION IN 1977 AND BEYOND.

3. \$25 MILLION OF ABOVE \$54 MILLION FOREIGN EXCHANGE REQUIREMENT IS TO BE COVERED BY LOANS. THE REMAINDER BY OWN SOURCES: INCLUDING \$7.1 EQUITY INCREASE. PROJECTED DISBURSEMENT OF LOAN FUNDS IS: \$7.5 MILLION IN 1977, \$7.5 UNCLASSIFIED

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MILLION IN 1979 AND \$10 MILLION IN 1981. THIS INVESTMENT IS

DESIGNED TO EXPAND ANNUAL PRODUCTION CAPACITY OF CABLE
AND WIRE TO 70,000 M/T COPPER AND 10,000 M/T ALUMINUM
CONTENT BY 1981.

4. PROJECTED EXPANSION SCHEDULE IS AS FOLLOWS (IN ADDITION
TO EXISTING CAPACITY):

	1977	1978	1979	1980	1981(UNIT:M/T)
RUBBER WIRE	550	700	850	1,500	2,000
PLASTIC WIRE	2,235	5,949	10,094	15,522	21,712
MAGNETIC WIRE	542	1,530	2,884	4,743	7,237
ELECTRIC CABLE	677	1,698	2,884	4,312	6,031
COMMUNICATIONS					
CABLE	1,558	4,079	6,922	10,779	15,078
BARE WIRE	1,659	3,399	5,480	6,468	8,444
TOTAL WEIGHT OF					
COPPER CONDUCTOR	7,221	17,355	29,114	43,324	60,502
TOTAL WEIGHT OF					
ALUMINUM CONDUCTOR	1,500	2,500	4,000	5,800	8,000

5. FACILITIES REQUIRED FOR ABOVE EXPANSION INCLUDE:

1) SCR (SOUTH WIRE CONTINUOUS ROD MANUFACTURING ONE SET
FACILITIES

2) HEAVY DUTY DRAWING MACHINE 12 UNITS

3) MEDIUM SIZE DRAWING MACHINE 24

4) FINE AND SUPPER FINE DRAWING MACHINES 89

5) ANNEALING FURNACE 1

6) TINNING DEVICES 1

7) STRANDING MACHINE (COLLECTIVE) 19

8) WELDING MACHINE 86

9) STRANDING MACHINES 50

10) DIES REPAIRING MACHINE 3 SETS

11) EXTRUDER 60UNITS

12) EXTRUDER(TANDEM LINE) 13

13) ASSEMBLING MACHINE 8

14) PVC COMPOUNDING MACHINE 5

15) ENAMELLING MACHINES 31

16) PAPER COVERING MACHINES 29

17) TWISTING & QUADDING MACHINE 59 UNIT

18) COMMUNICATIONS CABLE ASSEMBLING MACHINES 32

19) DRYING TANKS 12

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20) METALIC SHEATING MACHINE 12

21) WIRE ARMORING MACHINE 1

22) PRINTING DEVICES 3

23) COAXIAL CABLE FORMING MACHINE 3

24) METALIC WIRE BRACIDING MACHINE 27

25) RUBBER COMPOUNDING MACHINE 1

26) TESTING FACILITIES 1

27) POWER SUB-STATION 1

28) MACHINE TOOLS	1
29) SAW MILL	1
30) ACCESSORY FACILITIES	1

6. GOLD STAR IS WILLING TO CONSIDER JOINT VENTURE PROPOSALS
FROM PROMINENT U.S. FIRMS UNDER FAVORABLE TERMS, AND
IT HAS BEEN MOST PLEASED WITH RESPONSES FROM U.S. FIRMS
TO DATE. U.S. FIRMS SHOULD FEEL FREE TO CONTACT MR. KIM DIRECTLY
IF INTERESTED. PROJECTED PLANT WILL BE LOCATED IN ONSAN
ON 163 ACRES SITE IN KOREA'S SOUTH-EAST COAST.

HABIB

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WIRE PRODUCTS, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SEOUL01557
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740357/aaaacbeg.tel
Line Count: 126
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Reference: (A) STATE 030488, (B) STATE 046100
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 15 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 JUL 2002 by elbezefj>; APPROVED <06 DEC 2002 by garlanwa>
Review Markings:

Declassified/Released
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EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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